

Transcript of the President's News Conference on Foreign and Domestic Matters

Following is a transcript of President Reagan's news conference yesterday in the Executive Office Building in Washington, as recorded by The New York Times.

OPENING STATEMENT

Last November, the American people gave the elected representatives in Washington an overwhelming mandate to rescue the economy from high inflation and high unemployment. That was last November.

Today, seven months later, people are still waiting, and they're still waiting. And there's no longer any reason to delay.

Two major pieces of economic legislation are now before the Congress. The first, an omnibus bill to reduce spending.

A month ago, the House of Representatives approved by a 77-vote margin a long overdue and unprecedented budget resolution. That resolution ordered House committees to cut \$30 billion for spending next year, some \$140 billion over the next three years.

And yet there is now clear danger of congressional backsliding and a return to spending as usual. Some House committees have reported spending cuts they know can't be made; closing, for example, one-third of the nation's post offices.

One House committee claims to have achieved savings by eliminating a care program to provide suppers. But it also slipped into the change of the law to say that lunches can be served at supper time.

Actions Called 'Unconscionable'

This practice is unconscionable. The hard work of Congress in passing the bipartisan budget resolution is an academic exercise. It was a solemn commitment that transforms a mandate from the people into a compact with the people.

The Congress and the Administration together must protect the integrity of that compact.

I urge the House leaders to revise the committee work so that it honestly and responsibly achieves the original spending goals. But if that proves impossible, let me be clear: My Administration will have no other choice than to support the proposal of a number of Representatives in the House to offer a budget substitute on the floor that matches the resolution they voted for in May.

The second major economic item on the agenda is a cut in the tax rates that we promised the American people.

Some 12 days ago, I outlined the basic elements of a bipartisan tax plan that provides multilateral across-the-board cuts in individual tax rates, and it is an essential element of our overall economic program.

A bill incorporating these principles was introduced last week by Congressmen Barber Conable and Democratic Congressman Kent Hance.

Gathering Consensus Seen

I am pleased to report from conversations with Senators and Congressmen. I am convinced there is a gathering bipartisan consensus for this tax bill.

But once again, time is fleeting. Just to take care of the paperwork associated with the tax changes that would be effective on Oct. 1, we must quickly have the legislation on the books.

More important, let us never forget the mandate of November. The people of this nation have asked for action. And they deserve it now, not somewhere down in a misty future.

Therefore, I am asking Congress today to live up to its original commitment and deliver to the nation what it has asked for, not one, but two bills. A spending bill and a tax bill.

And I am asking the House of Representatives that we truly elected representatives that we truly deserve a rest.

QUESTIONS AND ANSWERS

Future of Communism

Mr. President, last month you told graduates at Notre Dame that Western civilization will transcend communism and that communism is, in your words, a sad bizarre chapter in human history whose last pages are even now being written. In that context, sir, do the events of the last 10 days in Poland constitute the beginning of the end of Soviet domination of Eastern Europe?

A. Well, what I meant then in my remarks at Notre Dame was that I believe now about what we are seeing together. I just think that it is impossible, and history reveals that, for a government to completely deny freedom to people and have that go unremedied. There certainly comes an end to it, and I think that's what we're seeing not only in Poland but the reports that are beginning to come out of Russia itself about the young generation and its resistance to longtime government controls is an indication that communism is an aberration—it's not a normal way of living for human beings, and I think we are seeing the first beginning cracks, the beginning of the end.

Israeli Attack in Iraq

Q. Have you learned anything in the past 10 days that would support Israel's contention that the Iraqis did not intend to build a nuclear plant was it defensive? If it wasn't defensive, what do you think it was? Could the United States take beyond condemnation?

A. I did make a statement in which I condemned that and thought that it was — that there were other options that might have been considered. That we could have welcomed an opportunity, for example, to try and intervene with the French, who are furnishing the nuclear fuel and so forth, and that was the last part of your question there about future actions because this is still under review. Under the law I had to submit to the Congress the fact that this did appear to be a violation of the law regarding American weapons that were sold for defensive purposes. I've not heard back yet from the Congress, and that review is not yet complete.

On the other hand I do think that one has to recognize that Israel had reason for concern in view of the past history of Iraq, which has never had a cease-fire or recognized Israel as a nation, has never joined in any peace effort for that. So in other words it does not even recognize the existence of Israel as a country.

But I think the biggest thing that comes out of what happened is the fact that this is further evidence that a real peace, a settlement to all of the Middle problems, is long overdue. The area is torn by tension and hostility. We have been Afghanistan invaded by the Soviets, Iran invaded by Iraq, and Iraq is in violation of a treaty. Lebanon's sovereignty has been violated routinely. Now this latest act. And I think that it is, what it should be, a complete move — and this I have stated to the representatives of several Arab countries — a complete move in that direction should, once and for all, settle this matter and have a stable peace.

Q. Can you say that you think now that it was a defensive move? Anything which indicates that yet?

A. No, I can't answer that because, I say, this review is not complete but what I would have to say is I think in looking at the circumstances that I outlined earlier that we can recognize that very positively in conducting that mission, Israel might have sincerely believed it was a defensive move.

Foreign Policy Program

Q. Mr. President, a couple of times in recent weeks your staff has told us that you were not quite ready to make a major foreign policy address and we've declined the opportunity to do so. In light of recent events in the Middle East and in Eastern Europe, do you have any serious thought to a foreign policy program?

gram across the board? And it so, could you give us today some idea of what your foreign policy beyond your often-expressed determination to stand up to the Soviets?

A. There seems to be a feeling as if an address on foreign policy is somehow evidence to have a foreign policy, and I think that's an address we don't have one, and I challenge that. I'm satisfied that we do have a foreign policy. I have an address before you already, representatives of nine other nations. The Secretary of State is making his second trip and is now in China and he's going to visit the Philippines and I told him that I believed that that is the kind of things that we had tried in California, that we had tried to make the penalties for the carrying of a weapon, particularly in the commission of a crime, much stiffer than they are.

In California, we added to 15 years to the prison sentence for anyone carrying a gun in the commission of a crime — convicted of that crime — whether they used the gun or not. And since, that's been augmented to include probation — mandatory prison sentence.

I believe in that because the truth of the — my concern about gun control is that it's taking our eyes off what might be the real answer to crime, it's diverting our attention. There are, today, more than 20,000 gun control laws in the United States. Federal, state and local — in the United States. Indeed, some of the strictest gun control laws in the world are right here in the district and they didn't seem to prevent a fellow, a few weeks ago, from carrying one down by the Hilton Hotel.

In other words, they are virtually unenforceable. So I would like to see us directing our attention to what has caused us to have the crime that continues to increase as it has and is one of our major problems in the country today. And that's it.

Outlook for Habib Mission

Q. Mr. President, can we return to the Mideast situation for a moment. Several of the Mideast leaders, most particularly Syria, say that because of the Israeli raid and the U.S. response to it, Envoys Habib's peace mission is in jeopardy. Do you agree? Or do you think it's permanently damaged. Do you agree with that? And if so, why not?

A. I hope it isn't. I know that he's still there and he has left the Syrian for Damascus. And I think that he's done a miraculous job so far when you stop to think that he's been there they literally had the weapons cocked and ready for war, and it's been several weeks and nothing has happened. It would be just further tragic evidence if this latest happening should turn this off. But I — I'll come home and say, "I give up." I'm going to believe that we can do.

Israel's Stance on Treaty

Q. Mr. President, how appropriate do you believe is Israel's position that it cannot sign a treaty with the Soviet Union, that it not to submit to inspections by the International Atomic Energy Agency? And then I have followed.

A. Well, I haven't given very much thought to that particular question there. I think that it is a complex one, signing that treaty or, on the other hand, how many countries do we know that have signed that treaty? I think that's a question that we need to ask. It's, again, something that doesn't lend itself to verification.

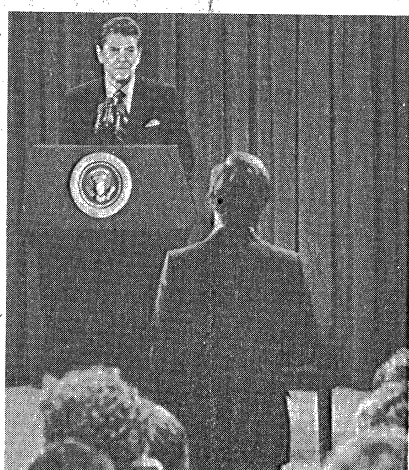
It is difficult for me to envision Israel as being a threat to its neighbors. It is a nation that from the very beginning has been under the shadow of a sword that they did not recognize its right to exist as a nation.

I'll have to think about that question you asked.

Nuclear Nonproliferation

Q. What would you think the proper role of the United States is in preventing the spread of nuclear weapons and nuclear weapons technology?

A. Well, our position is — and it is unqualified — that we're opposed to the proliferation of nuclear weapons. We do everything in our power to prevent it. I don't believe, however, that I should carry over into the development



A reporter rises to ask a question. Following new ground rules, reporters could raise their hands to ask for recognition but could not shout.

Second Reagan Term

Q. Mr. President, about 10 days ago your chief of staff said on a television interview program that he thought you were committed to running for a second term and another side of yours, Lyn Nofziger, has said virtually the same thing. Can you tell us, sir, if you are committed to running for a second term?

A. I think that having only been five months no what they're going to do three-years-and-seven-months from now.

Q. Can you tell us why your aides are making such statements in public? Is it to prevent you being regarded, at this stage, as a possible lame duck?

A. No, but I've neither ruled in or ruled out whether I would run again. And it's something that for the first four years in Sacramento I always refused to answer about. And one of the reasons I refused to answer is because I, myself, am determined that any decision that we make in this Administration are not going to be made based on whether they might have an effect on political ramifications to them.

But I'll make that decision when we get closer to that — actually, I suppose I'll say yes or no. I'll make that decision. They let you know whether you're going to run again or whether you should or not.

Compromising on Taxes

Q. Mr. President, for months you say you wouldn't modify your tax cut plan, and then you did. And when the American community vociferously complained, you changed your plan again. I just wondered whether Congress and other special interest groups might get the message that if they yelled and screamed loud enough you might modify your plan again.

A. No. The three-year, across-the-board spread — which I did modify to a five-year spread — is a 10-10 instead of 10-10-10. And I moved up to Oct. 1 instead of retroactive back through the year in going into effect — was done in an effort to create a did with the spending law, a bipartisan package.

And the suggestions that were offered in the negotiations that led to that were suggestions that I had to admit we had to make a marriage penalty tax, the making it possible for workers to save money on their own retirement and have an income tax break for that reason, the adjustment of investment funds, the 70 percent ceiling to 50, and so forth.

All of these things I thought were good, and to put them into the bill, they were all things, and that including the estate tax, which you've heard me in the campaign say many times I wanted to eventually eliminate. All of those were things that we had said would be in a second tax package, when we could do it.

By making that change that I made in — as I said before, that provided possible to move those up into the first — as I said before, and I don't think the people want us to. The latest polls that we have show that 70 percent of the people approve of the individual tax cut, and approve of it for four decades now. And that I think should be a message to anyone who's elected to office, in the hill or elsewhere.

Helping Minority Business

Q. Thank you, Mr. President. Your Administration, to some extent, has been called an administration or a presidency of the minority business. If you have laid out any programs in your Administration currently that will provide for increasing the number of minority business and other programs that relate to business development for minority business.

A. All of these things that you just mentioned there — increasing the viability of minority business and so forth — all of these are matters of public policy of an Administration and what we intend to do.

I've had these changes about our supposedly being an Administration for the wealthy. I don't see where they fit. I've had these changes about our supposedly being an Administration for the wealthy. I don't see where they fit. I've had these changes about our supposedly being an Administration for the wealthy. I don't see where they fit.

As a matter of fact, what they've created, the kind of bondage in which the people are made subservient to the

Government that is handing out the largesse. And the only people who prosper from them is that large bureaucracy that administers them.

And I believe that our economic package is aimed at stimulating the economy, providing incentives, increasing productivity so as to create new jobs. And those jobs will make it possible for those people who are now economically below the norm to get a foot on the ladder and improve themselves.

And, as some of the other programs, that is a case of how you direct the administering of the programs, such as that community and go out into the general economy. And it is that turnover that multiplies the effect. And right now, the black community has about \$140 billion that is not basically, even from the first dollar, being spent in their own communities.

If you would compare those communities to other ethnic communities of various kinds, you would find that the money that is spent in those communities, almost from the first dollar, is not there; it is spent outside that community.

In the others, the dollars turn over as much as five and six times before they leave that community and go out into the general economy. And it is that turnover that multiplies the effect. And right now, the black community has about \$140 billion that is not basically, even from the first dollar, being spent in their own communities.

So this is one of the big targets if they have an improvement of business there.

Israel's Threat to Syria

Q. As you know, the Israeli Government has made the threat that it might take military action to wipe out the Syrian missiles in Lebanon. If that were to go against our wishes, would you consider that a violation of the terms of the laws under which the Israelis have obtained those weapons?

A. Well, this is a question that I'm afraid that I can't answer now as to how — I would have to see this happen. They're offensive weapons; there's no question about the direction in which they're aimed — I'm speaking now of the Syrian weapons.

This would end our prospects for trying to bring peace to Lebanon, I know. I'm just — we're going to use every sense that we can to see that they're not, that there isn't a firing of those missiles.

Poland-China Linkage

Q. Mr. President, I'm sorry. How do you assess the current situation in Poland? And the second part of that is: Whether the warming up of relations, especially in the strategic military area, with China has any connection in your mind with events in Poland?

A. No, I don't see any connection between China and what's been going on in Poland. I think the Poland situation is going to be very tense for quite some time now. The Soviet Union is faced with the problem of this area, and once in a while, and what happens if they let it go.

On the other hand, what is going to be the impact if they take a forceful action — the impact on the rest of the world, I think, would be tremendous in the reaction that would come from all the —

Q. Sir, there was a list being made up by the Pentagon of weapons that might be supplied to China in the event that the Soviet invaded Poland. There has been a consensus drawn by General Haig and others that one way to deter the Soviets in Poland is to make clear that they might have to pay by increasing the threat to China. Does that exist?

A. No. These might have been continuing that were discussed. Certainly they are not policy in our Administration.

Arms Sales to China

Thank you, Mr. President, Secretary Haig, as you know, announced in China that the United States is lifting its ban against legal weapons sales to the Peoples Republic of China. I want to know if you would explain to the American people, please, why you decided to help the Peoples Republic of China to rearm militarily, and how you think the Soviet Union will react to your action.

A. Well, I don't know how the Soviet Union will react. But all we have to go to the Peoples Republic of China — we've wanted, and I've said for a long time, to improve relations with them, move them to some degree to many other countries, and not necessarily military allies of ours, in making certain technical and defensive weapons available to them. And I think this is a normal part of the process of improving our relations there.

Conservative Political Ads

Q. Mr. President, do you approve of conservative fund-raising groups such as NCPAC making expensive television commercials attacking liberal Democrats for defeat in the next election?

A. I don't really know how to answer that, because the game of politics is trying to win an election. And I've never seen the time when both parties have not been doing everything they can to win an election.

I think one of the things that do not set well with me is that to campaign before it is a candidate on your behalf means that your campaigning totally in a negative way. And I've always been a person who is going by stressing what it is your candidate would do and that you approve of it.

Q. I'd like to follow up on that, sir. Is it really a sense of fair play that these groups with all their money are in effect ganging up on one member of Congress, making an object lesson in other wavering Congressmen who might not see things their way? A. Well, about the money, I'm not a gang of them. Just one won't do us much good.

Aid to Pakistan

Q. Mr. President, you said earlier that you strongly oppose the proliferation of nuclear weapons. Yet, at the same time, you are asking Congress to pass a bill that would give Pakistan, which has refused to sign the nuclear nonproliferation treaty, can receive \$1 billion in American aid. Do we have any assurances from Pakistan that they will not seek to build an atomic bomb?

A. Let me just say with regard to Pakistan, and I won't answer the last part of the question — Pakistan has a long time, we have had a long time treaty with Pakistan, a mutual aid pact. But Pakistan is also in a very strategic position now, in view of what

has happened to Afghanistan. And I believe it is in our best interest to be supportive of Pakistan.

School-Aid Impact

Q. Mr. President, Sir, I wonder — you don't want inferior schools for soldiers, do you? A. Inferior schools for soldiers?

Q. Their children. Their children. A. No.

Q. Well I don't think you would. I call your attention to what's happening to the school impacted aid program under your reduction, and you're going to have some schools near military bases that are supposed to educate the children of soldiers; and they're going to be in a very hard hit way unless some new formula — I was wondering if you couldn't find a new formula for taking care of the children of the poor soldiers.

A. Well, Mr. McClelland, I think what you're going to find in this is one of the things talked about in my opening statement. This is one of the things in the committee in Congress that has been out that we did not get in our program. While we were going to reduce impacted aid in those areas where the impacted aid is for — like a military base, where the people are not taxpayers, not property owners, where they come in temporarily and their children are then, and put as an added burden on the local system.

But we have been having impacted aid for a long time to areas where the people are permanent residents, but Government employees. But they are homeowners, and they are property taxpayers, and so forth.

On the other — what has happened now is, in this same way, we see them putting into effect cuts that they haven't made. In other words, we think it is designed to really destroy, in a sense, the program that we're trying to — to implement in pulling these cuts in — this drastic cut that has been proposed in impacted aid, which would do what you have said.

We're hoping that — that the Congressmen, in the Budget Committee, they will correct some of those things that have been done and, if not then, as I said, we'll go along with — and those Congressmen, many of them Democrats, who want to put in a substitute bill and we would then — then meet the Senate bill in a conference committee.

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Relations With Taiwan

Q. Thank you, Mr. President. Returning once to that question of lifting of the legal arm sales to China. Does that affect in any way our relationship with Taiwan? And if so, how? Does that move us in any direction, either to or away from the Government of Taiwan?

A. No. And I have not changed my feeling about Taiwan. We have an act, a law called the Taiwan Relations Act, that provides for defensive equipment being sold to Taiwan, as well as other things in the relationship, and I intend to live up to the Taiwan Relations Act.

The Upgraded Hands

Q. Thank you, Mr. President. A. We're not Sam, you told me that it was all right about walking away from all those upgraded hands and I have to tell you, it still bothers me very much. I'm sorry that we can't answer all the questions.

Q. But you will, sir. A. No, I know I can't. I know I can't and I'm sorry.

Helping the Middle Class

Q. Tip O'Neill says you don't understand about the working people, that you have just a bunch of wealthy and

A. One more. Wouldn't you know that Sam Donaldson would be the one? Sam says, "Why didn't you do that earlier?" He said that Tip O'Neill has said that I don't know anything about the working man. I'm trying to find out something about his backyard because we did live on the wrong side of the railroad tracks, but we lived so close to them we could hear the whistle real loud. And I know very much about the working group. I grew up in poverty and got what education I got all by myself and so forth and I think it is sheer demagoguery to pretend that this economic program which we've submitted is not aimed at helping the great cross-section of people in this country that have been burdened for too long by big government and high taxes. Tax from \$10,000 to \$20,000 to \$30,000, certainly, all the middle class and they say 70 percent of the tax and 70 percent of our tax relief or more is going to that bracket of workers. And we're going to do our utmost to keep that bottom rung of the ladder clear for those who don't haven't yet started to climb. Thank you.

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Rules Chairman Says Reagan Uses Budget as a Method to 'Tyrannize'

By STEVEN V. ROBERTS
Special to The New York Times

WASHINGTON, June 16—Representative Richard Bolling, the chairman of the House Rules Committee, accused President Reagan today of trying to use the budget process to impose a "totalitarian" rule over Congress.

"This is an incipient tyranny," Mr. Bolling, a Missouri Democrat, said in an interview. "A popular President is attempting to tyrannize a whole Congress, a whole people."

"I'm using harsh words on purpose," Mr. Bolling continued, "so that people look at the fact that we're dealing with a very fundamental aspect of the way that country governs itself."

Mr. Bolling's words reflect a growing anger and frustration felt by many Democrats as Mr. Reagan pushes Congress to adopt his economic program with no changes and no delay. That anger grew today after Mr. Reagan's news conference statements criticizing Democratic efforts to alter some of his priorities.

Representative Jim Wright, the House majority leader, said: "There has never been an Administration that has demanded to dictate so completely to the Congress, certainly not Lyndon Johnson in his heyday or Franklin Roosevelt in his. I don't know what it will take to satisfy them, I guess for the Congress to resign and give them our voting proxy cards."

Sees Change in Balance

Mr. Bolling, who was interviewed before the President's news conference, said: "What I see here is an almost unbelievable change in the balance of powers between the legislature and the executive. I don't think the White House understands the democratic process, much less the legislative process, much less the function of the House."

As a 33-year member of the House and author of two books about Congress, Mr. Bolling offers a perspective that is increasingly rare on Capitol Hill, given the recent influx of new members. Moreover, as chairman of the Rules Committee, he is the traffic director for the House, and more than any other member, he will decide how Congress grapples with the next stage of the budget process.

In the early 1970's, Mr. Bolling was a leading advocate of the adoption of the budget process. Its original aim, he said, was to "provide a whole framework" for the Congress, a set of economic targets that would guide the work of the legislative committees.

The budget process always contained a provision called "reconciliation," a de-

vice that could be invoked at the end of the fiscal year to force Congressional committees to live within their fiscal targets. But it was seldom used and often ignored.

Enacted Into Law at Start

Under the prodding of President Reagan and his budget director, David A. Stockman, Congress this year used "reconciliation" at the start of the budget process, not at the end. That meant that the main elements of the Reagan economic plan were enacted into law right from the beginning, and the ability of Congressional committees to make their own decisions and set their own priorities was severely restricted.

"When you take what are supposed to be spending targets," said Mr. Bolling, "and you turn them into rigidities, you change the whole nature of the process and what you're trying to do."

When the legislative process becomes this sort of "all or nothing" game, Mr. Bolling said, the President, particularly a new and popular President, has a "tremendous advantage" over Congress.

"If a President has to fight only one or two battles a year," he said, "he's very unlikely to lose. It makes the contest into a no-contest."

A result, Mr. Bolling said, is to upset the "restless balance" among the three branches of government. It also upsets the ability of Congress to deliberate carefully over major pieces of legislation, he said.

"The system is a slow system," the Rules Committee chairman said. "It's designed to develop very slowly and painfully a series of compromises that keep the country together."

Mr. Bolling does not hold President Reagan entirely responsible. "The President is a pleasant man with good intentions," he said, "who is where he is largely by accident. He has a very limited awareness of modern society and its complexity."

Some of the President's aides are another story, Mr. Bolling went on. "They are fanatics," he said, "who think we should eliminate the balance that exists in this society so their prejudices can be enacted by temporary majorities."

But while the White House has considerable success so far, Mr. Bolling is not sure how long it will last. "It's a catastrophic mistake on the part of the Reagan Administration," the Missouriian predicted. "All of a sudden people will begin to understand what they have in mind, and they're going to kick back."

How To Make A Jaded New Yorker Fall In Love With New York:

- 1 Choose a date.
- 2 Phone 938-1111 and make a reservation for The Restaurant.
- 3 Invite Jaded New Yorker to dine with you. Don't say where.
- 4 Pick him (or her) up.
- 5 Assuming Jaded New Yorker lives in mid- or upper-Manhattan, drive down the East River Drive. (If he or she lives elsewhere, choose an equally canny route so you can follow the instructions below.)
- 6 Listen agreeably while Jaded New Yorker complains about the road surface, the traffic, the buildings coming down, the buildings going up, the dirt, the noise.
- 7 Slow down a little (or ask your cabbie to) when, shortly below Houston Street, the highway begins to curve west and first the Manhattan Bridge, then the Brooklyn, then the whole lower Manhattan skyline comes into view against the Western sky.
- 8 Notice the sudden silence.
- 9 Avoid sarcastic words or smiles when your Jaded New Yorker says something like: "My God!" or "You know, no matter how many times I see this..."
- 10 Continue driving, perhaps murmuring an occasional "uh huh," as he begins to define the special qualities of New York, the compactness, the veracity, the visible presence of water, the things that always draw him back somehow from the serenity of Paris, the cleanliness of...
- 11 Veer right onto West Street when you pull out of the Battery underpass, and have your cabbie drop you in front of One World Trade Center or pull into the World Trade Center Garage. (If the latter, bring your ticket up with you so we can validate it for you.)
- 12 Take the special elevator directly to the 107th floor.
- 13 Now the time has come to be noble, be firm, be tolerant, and bite your tongue. Remember, Jaded New Yorker has never been here before. So, even though you might prefer to check out your friends at the bar, nobly take him to see the view of the whole lower harbor from The Statue of Liberty Lounge. (It may even be lit by a spectacular sunset, if you've timed it just right.)
- 14 Firmly draw him away. (If he asks why he can't eat at one of the tables below, tell him they're part of the Hors d'Oeuvre and he can eat there another night.)
- 15 As you go down the steps, his eyes will be on the East River. But make him glance to the left, if he loves wine. Then tell him that there, amid all those bottles in that glass-enclosed Cellar in the Sky, thirty-six lucky people sit down at 7:30 each night to a dinner composed jointly by our chef and our cellar master around five glorious and freely poured wines.
- 16 That should have made him hungry. Or at least thirsty. But he may still dawdle a bit along the Promenade. So be tolerant: just because you know there's an even better view waiting, doesn't mean he does.
- 17 Finally, bite your tongue if, when you're seated, he asks how you managed to swing a table with such a gorgeous view. You know there's a great view from every table. But let him discover that for himself.
- 18 Since this is probably the first time your Jaded New Yorker has looked down on the Empire State Building, or up the entire island of Manhattan and on to Connecticut, he (or is it a she?) may be a little distracted. So perhaps you'll want to order some of your favorites for her, or him. Burgundian snails? Oysters? Rack of young lamb? James Beard? Fresh rainbow trout in phylo? One of our 600 fine wines? (Or will you insist that your Jaded New Yorker look at the menu and wine list to prove that, even these days, not all fine New York restaurants are overpriced?)
- 19 Chances are you'll linger over dessert and coffee, particularly since coffee comes in a silver thermos so that you're tempted to have a second cup. As you linger, your guest (the ex-Jaded New Yorker) may begin thinking about the next time. So perhaps you'll want to tell her (or him) about the way the light comes through the wine bottles to dapple the tables and a classical guitarist plays as you dine in the Cellar in the Sky. Or about the dinner you can make just of hors d'oeuvres in the Hors d'Oeuvre, where there's jazz after seven-thirty so that, with the world at your feet, you can dance, glance, dance into the night.

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60 days

89 days

15.50%* **15.25%***
Per year Per year

This is the rate you will earn for the entire period of your certificate, unlike money market funds whose rates fluctuate daily.

Minimum investment \$5,000 (or any amount over that)

Available June 16 to June 22

Minimum investment \$5,000 (or any amount over that)

Central Federal Savings warrants individuals, partnerships, institutions and corporations the rates stated in this advertisement on this type of short-term investment, which, until recently, has been available only to large corporations and institutional investors. With our Small-Saver Investment Certificate, your small amount invested can yield a large return.

Central Federal offers for purchase an investment agreement backed by a U.S. Government or Government Agency Security. This obligation is not a savings account or deposit and is thus not insured by the Federal Savings and Loan Insurance Corporation.

At the time of purchasing your certificate, you must also open a \$25 regular day of deposit to day

of withdrawal savings account to facilitate repayment of principal plus interest. Since your interest earned will be credited monthly, we will automatically transfer those funds to your regular savings account to earn additional dividends at the rate of 6 1/8% per year. The Small-Saver Investment Certificate cannot be automatically renewed or extended. No notice of maturity will be given. No withdrawals before maturity.

*Your yield is calculated by the rate set for the 91 day Treasury Bill Auction held each week. Your exact rate is higher than this weekly rate. This is the rate you will earn for the full period of your certificate no matter what fluctuations may occur week to week.

Massachusetts County Offices: Main Office: 588 East Park Ave., Long Beach 515-432-4000 - Branch: 101 West Park Ave., Long Beach 515-432-4000 - Wickford: 500 Main St., Wickford 515-432-4000 - Branch: 301 Long Beach Road 515-432-4000
Rhode Island County Offices: Branch: 1000 Broadwood Road at Second Ave 515-231-5200 - Pawtucket: 1500 Pawtucket Ave., P.O. Box 810 515-242-0400 - Hallowell: 418 Furrow Rd 515-242-0400 - Pawtucket: 1500 Pawtucket Ave., P.O. Box 810 515-242-0400 - Pawtucket: 1500 Pawtucket Ave., P.O. Box 810 515-242-0400 - Pawtucket: 1500 Pawtucket Ave., P.O. Box 810 515-242-0400
New York City Office: 1000 Broadway at 10th St. 212-450-4700 - Upper East: 1188 Third Avenue at 78th St. 212-478-7000 - West Side: 501 7th Ave. at 37th St. 212-388-1800
All Long Island offices open Saturdays - 79th St., Long Beach and Island Park Offices open Sundays
Assets over \$775 million - Savings insured - Member FDIC



MAIL TO: Central Federal Savings Investment Dept.
219 East Park Avenue
Long Beach, N.Y. 11541

Please open my 60 day Small-Saver Investment Certificate account. Enclosed is a check for \$5,000 (or any sum above that). Please make certain that a \$25 sum is included to open your regular savings account.

Tax I.D. or Soc. Sec. No.

Address

City State Zip

Telephone

Signature

I agree to the terms governing the certificate with the understanding that I may rescind the purchase within 5 days of receipt of the certificate, and receive a full refund without interest upon clearance of my check.

This is a limited subscription which may be withdrawn at any time without notice.

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